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February 7, 2008

Mr. Ross Johnson, Chairman
Fair Political Practices Commission
428 J Street, 8th Floor
Sacramento, CA 95814

**RE: February 14, 2008 FPFC Meeting, Agenda Item 13 (Approval of
Campaign Disclosure Manuals)**

Dear Chairman Johnson:

I write regarding Agenda 13, specifically with respect to approval of Campaign Disclosure Manual 6—Information for Independent Expenditure Committees. On page 2-12 of the proposed Manual the following sentence appears: “An independent expenditure has been made when a communication is mailed, broadcast or otherwise disseminated to the public.” This sentence seems inconsistent with existing FPFC regulation 18225(b)(3)(C) regarding the reporting of independent expenditures which provides: “Costs directly traceable to the communication are reportable when the communication is made, or when payments are made in connection with the development, productions or dissemination of the communication, whichever is earlier.” (Emphasis added).

The Commission’s current regulation requires reporting of independent expenditures when the communication is made (which is what the Manual states) or when payments are made (something the manual omits), whichever is earlier.

I am aware that the Commission considered a pre-noticed regulation at its October 11, 2007 meeting (Agenda item 9) which would have enacted 18421.5 apparently for the purpose of imposing a rule consistent with the language in the proposed Manual 6, although in my view inconsistent with 18225. However, 18421.5 was not approved. Instead, as I recall, the staff was directed to redraft proposed regulation 18421.5 to clarify several points. As an aside, I note 18421.5 is not listed in the staff memorandum regarding Regulatory Proposals for 2008 (Agenda item 17 on your current agenda).

While I personally support the interpretation proposed for Manual 6, I do not understand how it is consistent with the Commission’s current regulation

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Mr. Ross Johnson, Chairman

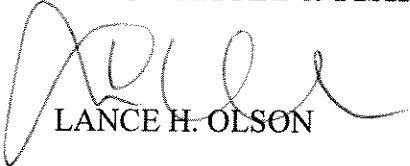
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18225. Perhaps the Commission should consider an amendment to 18225(b)(3)(C) to make the Manual and regulations consistent.

Very truly yours,

OLSON HAGEL & FISHBURN LLP



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LHO/sjg

cc: Scott Hallabrin

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